



MEMBER FOOD BANKS:

Food Gatherers
Food Bank
Ann Arbor

Food Bank of
South Central Michigan
Battle Creek

Gleaners Community
Food Bank of
Southeastern Michigan
Detroit

Food Bank of
Eastern Michigan
Flint

Feeding America
West Michigan
Food Bank
Comstock Park

Western UP Food Bank
Houghton

Kalamazoo Loaves &
Fishes
Kalamazoo

American Red Cross
Mid-Michigan
Food Bank
Lansing

Manna Project
Petoskey

Forgotten Harvest
Detroit

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Testimony to House Tax Policy Committee

April 26, 2011

Jane Marshall, Executive Director

Food Bank Council of Michigan

Simplification, not Elimination of Charitable Tax Credits – Strengthening Emergency Services

GOOD MORNING. I am Jane Marshall, Executive Director of the Food Bank Council of Michigan, Michigan's emergency food distribution network. Ours is a private sector, community based network of over 3100 local emergency food providers and organizations that feed about 1.1 million people in Michigan each year. Last year our food banks distributed 108 million pounds of groceries to people struggling to have enough food and trying to make ends meet.

Our economy in Michigan has pushed many people into unemployment, poverty and emergencies. Providing food is one simple way that we can support people who are struggling. Having adequate nutrition may be the first step in overcoming much more complicated problems like finding or keeping a job, keeping kids learning in school, finding housing, staying healthy. Meeting basic needs is critically important and because of our mission, we receive tremendous support from volunteers, food donors and financial donors who want to strengthen our efforts.

Data from the Michigan Dept. of Treasury shows that 234,100 taxpayers contributed at least \$38 million in cash donations to food banks and homeless shelters in the last tax year, 50% of that cash was credited back via the food bank/homeless shelter tax credit. In the food bank world, that's the equivalent of 190 million meals. The food bank/homeless shelter tax credit provides an incentive for citizens to support the private sector in a huge, effective way.

At a time when the State is looking to balance the budget, cut spending and reinvent itself, we feel that tax credits for contributions to charitable institutions are an important way to engage citizens to support the charity sector, and ultimately their neighbors and communities. It takes many sources of support to operate ours and all the other organizations that benefit from donations and tax credits. The tax credit is an important tool in our tool kit. And at a time when more and more people struggle to get their basic needs met, we need private donor support that is incentivized by charitable tax credits.

We know that the price tag for tax credits needs to be cut but it is our positions that maintaining the tax credits, even if at a lower rate, is a critically important tax policy for Michigan.

Thank you.

